



U.S. Department of Justice

United States Attorney
District of Minnesota

Emily M. Peterson
Assistant United States Attorney

600 United States Courthouse
300 South Fourth Street
Minneapolis, MN 55415

Phone: (612) 664-5600
Fax: (612) 664-5788
emily.peterson@usdoj.gov

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Via CM/ECF

The Honorable Katherine M. Menendez
United States District Court
300 South Fourth Street
Minneapolis, MN 55415

Re: *United States v. Evergreen Recovery Inc. et al.*, 0:24-cv-02944-KMM-JFD

Dear Judge Menendez:

I write pursuant to the Briefing Schedule you issued this afternoon in the above-captioned matter. In the Order, you permitted the parties to seek telephonic conferences with the Court. I would like to request a conference with the Court at its earlier convenience to discuss Defendants' compliance with the Court's Temporary Restraining Order, ECF No. 11.

The United States has reason to believe Defendants are not complying with the terms of the Court's order. For example:

- The United States learned today that Grygo, Backus and family members are on site at Evergreen's place of business at 1400 Energy Park Drive in St. Paul, Minnesota, and removing property from it, such as Evergreen's sober vans, with the intention of concealing it at Backus' brother's house.
- The United States learned yesterday from a former Evergreen employee that Evergreen is working to transfer its ownership of, interest in, or contracts with, sober homes it rents from landlords to another Twin Cities recovery provider;

These actions, among others, likely violate the letter and the spirit of paragraph 1(a), (c) and (d) of the TRO, which are intended to maintain the status quo and ensure Defendants' clients and assets are protected at least until a receiver can be put in place. The United States asks that the Court hold a telephone conference to ascertain the extent of Defendants' violations and reiterate the importance of compliance with the TRO to Defendants.

It is my understanding that Defendants other than Shantel Magadanz are no longer represented; the relevant individuals are copied on this letter below.

Sincerely,

ANDREW M. LUGER
United States Attorney

s/ Emily M. Peterson

By: Emily M. Peterson
Assistant United States Attorney

CC: Evergreen Recovery Inc.
Evergreen Mental Health Services Inc.
Ethos Recovery Clinic Inc.
Second Chances Recovery Housing Inc.
Second Chances Sober Living Inc.
David Backus
Shawn Grygo (via email)
Shantel Magadanz (c/o counsel C. Connor Cremens, via email)